

June 1, 2006

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: Semi-Annual Double Pole Report; D.T.E. 03-87

Dear Secretary Cottrell:

On behalf of Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid ("National Grid"), I am submitting National Grid's semi-annual double pole report in the above captioned docket.

Procedural History

On November 28, 2003, the Department of Telecommunications and Energy ("Department") reported to the Joint Committees on Ways and Means and on Government Regulations relative to reducing the number of double utility poles in the Commonwealth, as required by Chapter 46 of the Acts of 2003. As part of the report, the Department directed Boston Edison Company, Cambridge Electric Light Company, Commonwealth Electric Company, Fitchburg Gas and Electric Light Company, Massachusetts Electric Company, Nantucket Electric Company, Verizon Massachusetts, and Western Massachusetts Electric Company (together, the "Companies") to provide semi-annual reports updating their progress towards eliminating the double pole backlog and demonstrating their compliance with the ninety day removal deadline set forth in Mass. Gen. Laws c. 164, § 34B.

On June 16, 2005, Hearing Officer William Stevens issued a procedural order which addressed the filing of revised semi-annual double pole reports, standardization of data, data on past double poles removed, and the filing of a backlog elimination date ("Procedural Order"). In response, on June 24, 2005, the Companies requested a meeting with Department staff to better understand the Department's goals, explain what data was now available, discuss alternative ways that data may be provided to meet the Department's goals, and explore the time frame that currently unavailable data can be obtained. The Department conducted a technical conference on July 19, 2005 which covered those four issues. Hearing Officer Stevens issued a memorandum on July 20, 2005, which, among other things, required the Companies to file semi-annual reports by August 2, 2005 or a status report indicating when they will submit a proposal for a revised standardized format, and a joint motion to modify the Procedural Order. On August 2, 2005, the Companies provided an update to Hearing Officer Jeanne Voveris regarding their progress in working with the operator of the PLM double pole database, Inquest Technologies, to develop a standardized reporting proposal. In that update, the Companies stated that they anticipated filing a

proposal no later than August 10, 2005, which would include a joint motion to modify the Procedural Order and a schedule indicating how long it will take the Companies, through Inquest Technologies, to provide the requested information in their semi-annual reports.

On August 10, 2005, the Companies filed a Joint Motion to Modify the Department's June 16, 2005 Procedural Order. Following an August 29, 2005 discussion between the Companies and Department staff, the Companies filed an amended Joint Motion to Modify the Department's June 16th Procedural Order on August 31, 2005, which Hearing Officer William Stevens approved on September 1, 2005.

As agreed to by the Massachusetts pole owners and the Department, the pole owners provided one report to the Department which contains data on all of the double poles in Massachusetts for the reporting period November 1, 2005 through April 30, 2006, the Semi-Annual Double Pole Status Grid. This report, which Verizon filed on behalf of all of the pole owners on May 5, 2006, contains Excel spreadsheets with the following titles: Double Poles Backlog Summary; Double Poles Backlog Poles; Double Poles New Poles Summary; Double Poles New Poles; and Double Pole Summary Statistics.

In addition, each pole owner is providing its own semi-annual report to supplement the Semi-Annual Double Pole Status Grid. This letter constitutes National Grid's semi-annual report on double poles for the period November 1, 2006 through April 30, 2006 and detailed plan for eliminating the backlog as soon as reasonably practicable.

Double Pole Work Activity

"Backlog" Double Poles (set on or before January 31, 2004)

National Grid has been working to eliminate "backlog" double poles (those set on or before January 31, 2004). To date, 9,832 "backlog" double poles have been removed. Of the original 13,948 "backlog" double poles, only 4,116 remain. During the reporting period, November 1, 2006 through April 30, 2006 approximately 800 "backlog" double poles were removed.

"New" Double Poles (set after January 31, 2004)

Normal system upgrades by National Grid and others continue to drive the creation of "new" double poles (those set after January 31, 2004). National Grid continually works on the transfer and pole removal activity created by these activities. During the reporting period, November 1, 2006 through April 30, 2006, 1,541 "new" double poles were installed and 1,443 "new" double poles were removed.

Transfer Activity

An essential step in the elimination of double poles is the transfer of the facilities of all parties attached to the poles. During the reporting period, November 1, 2006 through April 30, 2006, a total of 5,394 transfers were made by all parties attached to National Grid's double poles, approximately double the number of transfers (2,755) made in the six months prior to this period.

Of these, 2,143 were made by National Grid, 1,463 by Verizon, 1,232 by cable companies, 434 by municipal fire alarm systems, and 122 by all other licensed attachers.

National Grid continues to work with licensees. It has reminded licensed attachers to its poles of their obligation to transfer their attachments in a timely manner. During this reporting period, licensees have performed 951 transfers. At this time, no particular licensees have neglected their responsibilities to complete transfers in a timely manner.

Responsibility for notifying attached parties that a new joint owned pole has been installed and for expediting transfers by parties attached to joint owned poles are divided between National Grid and Verizon by the joint ownership agreement between them. Under that agreement, the party installing a new pole is responsible to notify all attached parties that a new joint owned pole has been installed. That agreement assigns responsibility for expediting transfers by parties attached to joint owned poles to the last of the two pole owners to transfer off the old pole. Because pole transfers are generally made from the top of the pole down, this responsibility generally falls to Verizon under the joint ownership agreement.

Compliance Plan

Previously, National Grid submitted a Double Pole Backlog Elimination Plan. In this Plan, National Grid proposed specific targets for transfer and pole removal work awaiting action by National Grid, plans to expedite transfers by licensed attachers and municipalities, changes in National Grid's work methods, and the greater use of private contractors to reduce the backlog of double poles.

National Grid proposed that on a forward going basis it would maintain approximately 1,250 poles awaiting transfer and approximately 300 poles awaiting removal by National Grid. While these figures will vary from day-to-day as poles are installed, transfers are completed and poles are removed, they have been reached and on average have been maintained. At the beginning of the reporting period, 1,591 poles awaited transfer and 199 poles awaited removal by National Grid. On April 30, 2006, the end of the reporting period, 1,655 poles awaited transfer and 421 poles awaited removal by National Grid. National Grid is now adding additional contractor resources to assist with pending transfer work and the number of poles awaiting transfer by National Grid is expected to decline as transfer work continues. While a recent (the past two months) increase in the number of poles awaiting removal by National Grid may not seem like progress, it reflects increased attention to transfer work by other attached parties, including fire alarm systems, cable operators, and Verizon that has moved the poles down to the removal stage, as described above. National Grid has been maintaining its outstanding double work at approximately the same levels despite increased pole set activity.

National Grid has reminded attachers to its poles of their obligation to transfer their attachments in a timely manner. In particular, National Grid has been working with fire departments with fire alarm signal wires across the Commonwealth to get them involved with the Pole Lifecycle Management, or PLM, process by receiving notices of required transfers directly and updating PLM about their transfer work.

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National Grid has made greater use of private contractors to supplement its work forces ability to manage double pole work. National Grid is using private contractors, as well as its own workers, to install poles, transfer company facilities to new poles, and remove old poles. Standing contracts with a number of private contractors provide the flexibility to schedule work by the crews to pick up temporary increases in work load as they occur in specific local areas.

Most pole installations by National Grid now use the cut-and-kick method where the old pole butt is removed at the time of the installation of the new double pole. Because the last piece of wood can be removed by the last party transferring off the old pole, this method eliminates one step in the process of eliminating the double pole, including the notification, work schedule and one trip to the pole.

National Grid is confident that the foregoing measures and policy changes will be effective in reducing its backlog of double poles and will facilitate the prompt removal of double poles as they are created in the future.

As stated above, National Grid's joint ownership agreement with Verizon assigns responsibility for expediting transfers by parties attached to joint owned poles to the last of the two pole owners to transfer off the old pole, which is frequently Verizon. Thus, National Grid and Verizon share an estimated completion date for the poles in National Grid's service territory. Based on Verizon's estimated completion at the end of the second quarter of 2007, National Grid anticipates completion at that time as well.

Thank you very much for your time and attention to this matter.

Very truly yours,

A handwritten signature in black ink, reading "Amy G. Rabinowitz". The signature is written in a cursive, flowing style.

Amy G. Rabinowitz

cc: Service List